

Based on the decision of the Management Board, with the prior consent of the Supervisory Board of Meritus ulaganja Inc., based in Zagreb (City of Zagreb), Heinzelova ulica 62a, registered with the Court Register of the Commercial Court in Zagreb under registration number (MBS): 081210030, PIN: 62230095889 (hereinafter: the "**Company**") of 2 June 2021 on the increase of share capital by cash investments and issue of shares (authorized capital) (hereinafter: the "**Decision on the Share Capital Increase**"), on 09 July 2021, the Management Board of the Company passed the following

**DECISION**  
**on the adoption of rules for the allocation of new shares**  
**("New Shares Allocation Rules")**

**I**  
**Share capital increase**

It is established that the Decision on the Share Capital Increase determined the increase of the share capital of the Company from the amount of HRK 85,780,500.00 (in words: eighty-five million seven hundred and eighty thousand five hundred kuna) for the maximum amount of HRK 14,000,000 (in words: fourteen million kuna), to the amount of a maximum of HRK 99,780,500 (in words: nine hundred and nine million seven hundred and eighty thousand five hundred kuna), by payment in cash, by issuing at least 122,000 (in words: one hundred and twenty-two thousand), and a maximum of 140,000 (in words: one hundred and forty thousand) ordinary registered shares without a nominal amount (hereinafter: "**New Shares**").

**II**  
**Public Offering of New Shares**

The process of issuing New Shares will be carried out through a public call in two rounds, which will start, last and end simultaneously.

In the first round of the public offering, the New Shares are offered for subscription to the Company's shareholders who, in accordance with the rules of the of Central Depository & Clearing Company Inc., Zagreb (hereinafter: "**CDCC**"), have registered shares of the Company on their dematerialized securities account in CDCC (hereinafter collectively: "**Existing Shareholders**", i.e. each individually: "**Existing Shareholder**") on day of adoption of Decision on the Share Capital Increase, i.e. on 2 June 2021 (hereinafter: the "**Subscription Right Determination Date**"), under the conditions specified in the public call to subscribe for New Shares dated 09 July 2021 (hereinafter: "**Public Call**").

In the second round of the public offering, the New Shares are offered for subscription to all other investors, i.e. all natural and legal persons (including Existing Shareholders), who:

- (i) are professional investors in accordance with Article 101 of the Capital Market Act (Official Gazette No. 65/18, 17/20; hereinafter: the "**Capital Market Act**") or are treated as professional investors on request in accordance with Article 103 of the Capital Market Act or are qualified principals within the meaning of Article 116 of the Capital Market Act, unless such persons have requested to be treated as retail investors (hereinafter collectively: "**Qualified Investors**" or each individually: "**Qualified Investor**");
- (ii) do not meet the criteria for professional investors in accordance with Article 100 (3) of the Capital Market Act (hereinafter collectively: "**Retail Investors**" or each

individually: "**Retail Investor**") (Existing Shareholders, Qualified Investors and Retail Investors hereinafter referred to collectively as: "**Investors**", ie each of them individually: "**Investor**");  
under the conditions specified in the Public Call.

### **III**

#### **First round of public offering**

Existing Shareholders have the right to subscribe for New Shares in the first round. Existing Shareholders have the pre-emptive right to subscribe for New Shares in accordance with the Companies Act (Official Gazette 111/1993, 34/1999, 121/1999, 52/2000, 118/2003, 107/2007, 146/2008, 137/2009, 111/2012, 125/2011, 68/2013, 110/2015, 40/2019, hereinafter: the "**Companies Act**").

In the first round, Existing Shareholders are offered all New Shares for subscription, ie a minimum of 122,000 and a maximum of 140,000 New Shares.

The highest number of New Shares that Existing Shareholders have right to subscribe for in the first round of subscription is the number of New Shares that corresponds to their share in the share capital of the Company as of the Subscription Right Determination Date (hereinafter referred to as the "**First Round Maximum Number of New Shares**"). The Maximum Number of New Shares in the First Round for each Existing Shareholder is calculated by dividing the total maximum number of New Shares by a total number of existing shares of the Company on the Subscription Right Determination Date, and multiplying the result (quotient) by the number of existing shares of the Company that the Existing Shareholder has on the Subscription Right Determination Date, rounded to the first lower integer

The Existing Shareholders that wish to subscribe for New Shares in both rounds of subscription may do so by using one Subscription Form, in such way that they state in the Subscription Form the total number of the New Shares which they subscribe for and indicate in the Subscription Form that they wish also to participate in the second round of subscription.

If an individual Existing Shareholder subscribes for a larger number of the New Shares in the first round, and in the Subscription Form indicates that it also wishes to participate in the second round of subscription, it shall be deemed that such Existing Shareholder:

- (i) in the first round has subscribed for the First Round Maximum Number of New Shares and, subject to conditions provided for in this Decision, such New Shares shall be allocated to it as if they were subscribed for in the first round; and
- (ii) in the second round has subscribed for the number of New Shares for which the total number of subscribed New Shares exceeds the First Round Maximum Number of New Shares, and subject to conditions provided for in this Decision, such New Shares shall be allocated to it as if they were subscribed for in the second round.

The above shall not apply if the Existing Shareholder does not indicate in the Subscription Form that it also wishes to participate in the second round of subscription. In such case, it shall be deemed that the Existing Shareholder has subscribed for the First Round Maximum Number of New Shares, and, for the New Shares it subscribed exceeding that number, it shall be deemed as not subscribed for.

If an individual Existing Shareholder enters in the Subscription Form the number of New Shares that is equal or smaller than the First Round Maximum Number of New Shares, that Existing Shareholder shall be deemed to have subscribed for the New Shares in the first round only, even if it indicates in the Subscription Form that it also wishes to participate in the second round of subscription.

#### **IV Second round of public offering**

In the second round, all Investors have the right to subscribe (whereby Existing Shareholders in the second round do not have pre-emptive right when subscribing for New Shares).

In the second round, all New Shares are offered to Investors for subscription, provided that Investors who subscribe for New Shares in the second round may be allocated only the number of New Shares remaining after the allocation of New Shares to Existing Shareholders who subscribe in the first round.

#### **V Criteria for Allocation of New Shares subscribed in the second round**

Management Board has full discretion in determining the allocation of New Shares subscribed in the second round to individual Investors.

In making decisions, the Management Board will be primarily guided by the interests of the Company, as well as the following factors:

1. regulatory restrictions on investments of individual Investors and/or categories of Investors;
2. the goal of achieving a liquid stock market of the Company;
3. diversification of the ownership structure of the Company;
4. achieving an optimal relationship between different types and categories of Investors;
5. long-term investments, i.e. priority in the allocation of New Shares will be given to those Investors for whom there are indications that they intend long-term investments in the Company;
6. the size of the Investor, i.e. the advantage in the allocation of New Shares may be given to Investors with greater investment potential;
7. quality of the offering, i.e. the number of New Shares to which the offering of an individual Investor refers; and
8. relationship between the registrar and the Company.

#### **VI Allocation of New Shares**

Existing shareholders who subscribe for New Shares in the first round will be allocated the maximum number of New Shares, i.e. the number of New Shares corresponding to the share of each Existing Shareholder in the Company's share capital before its increase in accordance with the Decision on the Share Capital Increase. If the number of New Shares calculated in this way, which should be allocated to an individual Existing Shareholder, is not an integer, the Issuer will assign the first lower whole number of New Shares to that Existing Shareholder.

The remaining subscribed New Shares, which remain after the allocation of New Shares to Existing Shareholders who subscribed in the first round, will be allocated to Investors who subscribed for New Shares in the second round (including Existing Shareholders who indicated in the Subscription Form that they wish to participate in the second round).

If a smaller or equal number of New Shares than the highest offered number of New Shares is subscribed in the second round, each Investor will be allocated the number of New Shares it subscribed to in the second round.

If more New Shares are subscribed in the second round than offered, New Shares will be allocated to Investors in accordance with these New Shares Allocation Rules. As a result, Investors may be allocated a smaller number of New Shares than those listed in the subscription form.

## **VII**

### **Notification on Allocation of New Shares**

Immediately after determining the exact number of New Shares allocated to each Investor, the Company will notify Investors who are Qualified Investors of the number of New Shares allocated to them and the total price of allocated New Shares to be paid within 2 ( two) Business Days from the receipt of the said notification. The said notification will be delivered by e-mail to the e-mail address provided by the respective Qualified Investor in the Subscription Form.

The Issuer will not notify Investors who are Retail Investors of the number of New Shares allocated to them, since in accordance with the Decision on the Share Capital Increase, Retail Investors are obliged to pay them during the relevant subscription period of the New Shares.

## **IX**

### **Entry into force**

This decision shall enter into force on the day of its adoption.



Darko Horvat, President of the Management  
Board



Tomislav Glavaš, Member of the  
Management Board

**Meritus ulaganja d.o.o.**  
**Zagreb**